tion in an action brought in a Federal Circuit Court, for the conversion of the proceeds of passenger tickets sold by him, it is held in Matter of Wenman, 16 Am. B. R. 690, that he is entitled to be released from imprisonment; (1) under section 9a of the Bankruptcy Act he is exempt from arrest in the action; (2) he is not held upon a debt or claim from which his discharge in bankruptcy would not be a release.

Trustee—Failure to Appoint—Bankrupt's Title to Cause of Action Not Divested by Adjudication.—The Court of Appeals of the State of New York has very recently held in Rand *v.* Iowa Central Railway Co., 16 Am. B. R. 692, that where no trustee was ever appointed, a bankrupt, in an action for services rendered, is not precluded from recovering, by the fact of his adjudication after the cause of action had accrued and before the commencement of the suits.

Assets — Concealment — Incredible Story as to Disposition of Money.—In Re Weinreb, 16 Am. B. R. 702, decided in the U. S. Circuit Court of Appeals, Second Circuit, holds that where the court is satisfied that the testimony of bankrupts, who had been jewelers and diamond brokers, that within a period of nine days they had paid out $18,200 to a stranger for what they suspected were smuggled diamonds is an entire fabrication and that the bankrupts have the money concealed from their creditors, an order directing payment thereof to the trustee will be affirmed.

The case below presents an interesting and novel point, as far as decisions go. That it is founded on common sense and right reason, there can be little question.

Company—Directors—Resolution of Majority Shareholders for Sale of Undertaking—Refusal of Directors to Carry Out Resolution of Shareholders.—Automatic Self-Cleansing Filter Co. *v.* Cunninghame (1906), 2 Ch. 34, was an action by the company and by the plaintiff McDiarmid, a shareholder, on behalf of himself and all other shareholders of the company against the directors of the company to compel them to carry out a resolution passed by a majority of the shareholders of the company authorizing a sale of the company's undertaking. The articles provided inter alia that the management of the business of the company should be vested in the directors, and they considered it would not be in the interests of the company to carry out the resolution and refused to do so. Warrington, J., who tried the action dismissed it, and the Court of Appeal (Collins, M.R., and Cozens-Hardy, L.JJ.) affirmed his decision. The articles of association provided that the directors might be removed by a special resolution of the shareholders, and the Court held that so long as they were continued in office their action

could not be overruled by a resolution of a mere majority of the shareholders, as that would in effect be transferring to a mere majority of the shareholders the management of the company which, by the articles, was vested in the directors.

Procedure—Reopening Estate.—It is held in In re Ryburn, 16 Am. B. R. 514, that where, after the settlement of the bankrupt's estate, facts are discovered which induce the belief that prior to adjudication he fraudulently transferred certain property omitted from his schedule, an order reopening the estate, upon petition of creditors cannot be construed as authorizing the trustee, when appointed, to commence an action in a State court to set aside the alleged fraudulent transfer; its only effect is that the matter rests under the supervision and control of the referee in charge.

Bankruptcy Debt—Postmaster Used Government Money to Pay Firm Debts—Note of Firm to Surety on Bond Valid Claim.—In re Speer Bros., 16 Am. B. R. 524, holds that where a postmaster makes use of government money in the general business of a partnership of which he is a member, a note of the firm given by him to the surety upon his bond, who made good the amount of his defalcation, is an equitable and just claim against the estate of the bankrupt firm.

Election of Trustee in Bankruptcy—Bankrupt Suggested Name before Filing Petition.—Where a bankrupt, at a large meeting of his creditors, told them of his intention to file a petition in bankruptcy and of his belief that his assets, if wisely disposed of, would exceed his liabilities, and no objection is made to a person suggested by him as trustee, and after the filing of his petition a letter, the draft of which was prepared by the bankrupt's attorney upon learning that some of the creditors were endeavoring to secure another person as trustee, was sent by and over the name of a large creditor to substantially all the creditors, recommending for trustee the person named by the bankrupt, and there is no evidence tending to show that any one person of the majority of creditors in number and amount who voted in person for him was influenced in his vote either by the bankrupt or his attorney, or represented any interests other than their own, it is held in In re Eastlack, 16 Am. B. R. 529, that an order of the referee disapproving the choice of the creditors should be set aside and his election approved.

Discharge in Bankruptcy—Incriminating Question—Refusal to Answer.—In re Dresser, 16 Am. B. R. 561, holds that the privilege of receiving a discharge is not a natural right nor a right of property but a matter of favor to be accepted upon such terms as Congress may impose; hence a bankrupt's discharge will be denied where he